Bank of Japan, Center for Monetary Cooperation in Asia and
Bank for International Settlements

THIRD ANNUAL WORKSHOP OF THE ASIAN RESEARCH NETWORKS

The international financial crisis:
Impact and policy lessons in Asia and the Pacific

25 March 2010, Tokyo, Japan

24 March 2010, Wednesday

18:00 Welcome dinner hosted by the BIS

25 March 2010, Thursday

Financial Stability (FS) Network Workshop

08:45 – 09:00 Opening Remarks
Shinobu Nakagawa, Associate Director-General, CeMCoA, BOJ
Frank Packer, Head of Financial Stability & Markets for Asia & the Pacific, BIS

Session 1 Transmission of crisis

09:00 – 10:30 Chair: Shinobu Nakagawa (BOJ)

Paper 1: “Monetary Policy Effects on Liquidity Crunch in Late 2008: High-Frequency Model of Differentials between Swap-Implied Funding Costs and Money Market Rates”
Matthew S. Yiu (HKMA), Wai-Yip Alex Ho (HKMA and Boston University), Lu Jin (HKMA) and Joseph K. W. Fung (Hong Kong Baptist University and HKIMR)

Discussant: Geun-Young Kim (BOK)

Paper 2: “Global contagion of volatilities and volatility risk premia”
Yoshihiko Sugihara (BOJ)

Discussant: Michael Davies (RBA)

10:30 – 11:00 Coffee break
## Session 2  
**Liquidity risk**

**11:00 – 12:30**  
Chair: **Hiroaki Kuwahara** (BOJ)

**Paper 3:** “A Liquidity Risk Stress-Testing Framework with Interaction Between Market and Credit Risks”  
**Eric Wong** and **Cho-Hoi Hui** (HKMA)

Discussant: **Naohiko Baba** (BOJ)

**Paper 4:** “Market Liquidity Risk as an Indicator of Financial Stability: The Case of Indonesia”  
**Wimboh Santoso, Cicilia A. Harun, Taufik Hidayat** and **Hero Wonida** (BI)

Discussant: **Leo Krippner** (RBNZ)

**12:30 – 14:00**  
**LUNCH**  
(Parallel business lunch for delegates of member institutions to provide feedback and suggestions on Asian Research FS Network)

## Session 3  
**Macroprudential regulation**

**14:00 – 15:30**  
Chair: **Eli Remolona** (BIS)

**Paper 5:** “Measuring Systemic Risk and Financial Linkages in the Thai Banking System”  
**Rungporn Roengpitya** and **Phurichai Rungcharoenkitkul** (BOT)

Discussant: **Haibin Zhu** (BIS)

**Paper 6:** “Capital management in Loan Loss Provisioning and the Business Cycle: Evidence from the Philippines”  
**Danvee Floro** (BSP)

Discussant: **Frank Packer** (BIS)

**15:30 – 16:00**  
Coffee break

## Session 4

**16:00 – 18:00**  
Chair: **Frank Packer** (BIS)

**Paper 7:** “Procyclical management of non-performing loans by the Indian public sector banks”  
**B M Misra** and **Sarat Dhal** (RBI)

Discussant: **Daniel Wang** (MAS)
THIRD ANNUAL WORKSHOP OF THE ASIAN RESEARCH FS NETWORKS

16:45 – 17:55 Panel discussion on financial stability and market issues
Panelists:  
  Xuechun Zhang (PBC)  
  Shinobu Nakagawa (BOJ)  
  Sungwon Lee (FSS, Korea)  
  Titanun Mallikamas (BOT)

17:55 – 18:00 Concluding Remarks
Shinobu Nakagawa (BOJ)

END

18:15 Conference Dinner hosted by the BOJ